



Michigan *Office of the Auditor General* **REPORT SUMMARY**

Performance Audit

Michigan Veterans Tuition Grant Program and State Education Reimbursement Program Department of Military and Veterans Affairs

Report Number:
51-400-03

Released:
February 2004

The Department of Military and Veterans Affairs is responsible for administering State-regulated veterans services and training the Michigan National Guard to ensure military preparedness to assist both federal and State authorities. The Department administers the Michigan Veterans Tuition Grant Program (MVTGP) and the State Education Reimbursement Program (SERP). These programs provide tuition assistance to children of eligible Michigan veterans and to members of the Michigan National Guard.

Audit Objective:

To assess the effectiveness of the Department of Military and Veterans Affairs' administration of MVTGP and SERP.

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Audit Conclusion:

The Department was generally effective in administering MVTGP and SERP.

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Reportable Conditions for MVTGP:

1. Tuition Payments

The Michigan Veterans' Trust Fund did not ensure that all MVTGP tuition payments were for eligible students (Finding 1).

2. Determination of Eligibility

The Michigan Veterans' Trust Fund did not consistently determine eligibility for MVTGP benefits for students who withdrew from classes in compliance with applicable statutes (Finding 2).

3. Tuition Payment Reconciliation

The Michigan Veterans' Trust Fund did not reconcile its MVTGP database with the official State accounting records maintained in the Michigan Administrative Information Network (MAIN). In addition, the Trust Fund did not retain documentation supporting information reported in the annual reports submitted to the Senate and House Appropriations Subcommittees. (Finding 3)

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Reportable Conditions for SERP:

1. Tuition Reimbursement Payments

SERP should improve its review and retention of supporting documentation to ensure that tuition reimbursement payments are made in accordance with rules and statutory requirements (Finding 4).

2. Tuition Reimbursement Payment Reconciliation

SERP did not periodically reconcile tuition reimbursement payments maintained in the SERP database with the official State accounting records maintained in MAIN (Finding 5).

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Agency Response:

The Department's preliminary response indicated that the Michigan Veterans' Trust Fund and the State Education Office have complied or will comply with all of the recommendations.

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A copy of the full report can be obtained by calling 517.334.8050 or by visiting our Web site at: www.state.mi.us/audgen/



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